GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3674
ANSWERED ON:27.04.2007
OPENING OF NEW BANK ACCOUNTS
Pallani Shamy Shri K.C .

Will the Minister of FINANCE be pleased to state:

(a) whether for opening up of new bank accounts, the customers now have to disclose their religion, annual income, etc.; and

(b) if so, the details alongwith the reasons therefor ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAW AN KUMAR BANSAL)

(a) & (b) : Reserve Bank of India has advised all the Banks to adhere to prescribed norms and safeguards while opening account as per detailed guidelines issued on 29.11.2004 on Know Your Customer` norms and Anti Money Laundering Standards for monitoring transaction of suspicious nature for the purpose of reporting to appropriate authority. As per guidelines on Customer Acceptance Policy (CAP) contained therein, the profile of the new customer based on risk categorization may contain information relating to customer`s identity, social/financial status, nature of business activity, information about his clients` business and their location etc. Banks have been further advised that while preparing customer profile, banks should take care to seek only such information from the customer that is relevant to the risk category and is not intrusive.